

IT DOES NOT SEEM THAT INCREASING PLAN D OR OTHER INCENTIVES WILL RESULT IN LONG-TERM PM VENDING SHARE INCREASES. HOWEVER, PAYING THE SAME TOTAL SUBSIDIES, ACCORDING TO A REVAMPED PAYMENT STRUCTURE, MAY HELP CORRECT SHORTFALLS IN SOME REGIONS.

- THIS COULD BE DONE BY LOWERING THE PAYMENT FOR THE FOURTH COLUMN AND RAISING PAYMENTS FOR THE SIXTH AND SEVENTH.

THAT IS:

<u>COLUMN</u>	<u>PAYMENT</u>
4	\$ 3
5	8
6	18
7	28

- IN THIS WAY, SUBSIDY PAYMENTS ARE BETTER MATCHED WITH LOWER SHARE PACKINGS. AN INCENTIVE IS PROVIDED FOR VENDORS WITH A LOW NUMBER OF PM COLUMNS TO TRADE UP AND, ALSO, ESTABLISHES A DEFENSIVE POSITION AT CURRENT COLUMN AVERAGE.